

EXHIBIT "N"

Delphi, GM Near Cost-Cutting Pact With UAW --- Deal Could Ease Threat Of Strike at Parts Maker, Become Industry Model The Wall Street Journal March 10, 2006 Friday

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HEADLINE: Delphi, GM Near Cost-Cutting Pact With UAW --- Deal Could Ease Threat Of Strike at Parts Maker, Become Industry Model

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BODY:

Delphi Corp. and General Motors Corp. are nearing agreement on the broad points of a potential deal with the United Auto Workers union that could ease fears of a disruptive strike at Delphi and help the two companies reduce labor costs.

UAW leaders have summoned local officials at Delphi plants across the country to come to Detroit next week in a sign the UAW, Delphi and GM are making progress. While several key details remain to be worked out, the sides are nearing agreement on broader issues that could include buyouts for thousands of older workers at both GM and Delphi, said the people familiar with the talks.

It could also offer lump-sum payments known as "buydowns" to Delphi workers, perhaps of \$25,000 to \$50,000 a person, in return for accepting lower wages and benefits in the future, these people said.

No deal is imminent, these people emphasized, but when UAW-Delphi leaders from around the country convene in Detroit next Wednesday, they will be given many of the details for a potential agreement. "There has clearly been significant progress in the last week or so. Some issues remain, of course," said a person familiar with the talks.

An agreement could have industrywide ramifications and even serve as a model for fixing Detroit's other auto makers and their former parts units. Investors have worried GM could be crippled by a strike at Delphi, which provides nearly a quarter of GM's parts. Delphi-related worries have complicated GM's efforts to sell a controlling stake in its General Motors Acceptance Corp. finance arm. An agreement also could help GM meet its goal of eliminating 30,000 union jobs by 2008. For Delphi, which is

under Chapter 11 bankruptcy-court protection, an agreement could ease its path toward emerging as a more efficient competitor.

But an agreement could carry a hefty price tag for GM, which is struggling to stanch losses and shore up market share in North America. An agreement would also require approval of UAW-represented workers, who last year approved reductions in health care for retirees and active workers at GM and Ford Motor Co. by relatively thin margins, and who remain skeptical of the Big Three's efforts to become more efficient.

UAW spokesman Paul Krell confirmed a meeting scheduled for next week but declined to discuss the talks. Delphi spokesman Lindsay Williams also declined to comment. GM spokeswoman Katie McBride said, "Any program that we pursue would have to be mutually agreed upon with the UAW. We are not in a position to speculate on potential timing."

Delphi Chairman and Chief Executive Robert S. Miller has said his U.S. hourly workers earn about \$65 an hour in wages and benefits, and last year he asked the UAW for cuts of as much as 60%, a request the union rejected.

The three sides are negotiating in advance of a March 31 deadline that Delphi has given before it will go to court and ask a bankruptcy judge to throw out its labor contracts with six unions, the largest of which is the UAW. Delphi has delayed such a move three times. A ratification vote by UAW members might not take place until after the deadline, said two people familiar with the talks.

Delphi has about 24,000 UAW workers and about 9,800 UAW retirees. GM has estimated its benefit obligation to Delphi employees and retirees who worked for the auto maker before it spun off Delphi in 1999 is somewhere between \$3.6 billion and \$12 billion.

Among the issues still being worked on, said two people, are how much GM will spend and how much of a claim it can make against the Delphi estate. Under terms of the 1999 spinoff, GM has an indemnity clause stating that money it spends on benefits for Delphi workers would give GM a general, unsecured claim on Delphi assets in bankruptcy.

GM has 105,000 UAW members, and 37,000 to 40,000 of those workers are eligible to retire now or in the near future, according to auto experts.

GM and the UAW are discussing buyout packages that would include offers of about \$35,000 to encourage the retirement of workers with more than 30 years on the job. Another option, for workers with slightly fewer than 30 years, is to offer them full or partial wages not to work for the next few months or couple of years until they reach 30 years on the job, after which they can retire with full benefits. Ford Motor Co. has used similar buyout offers for its UAW members.

NOTES:

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